

January 28, 1976

PRESIDENT: Senator Schmit.

SENATOR SCHMIT: Mr. President, members of the Legislature, this bill and these amendments were discussed briefly yesterday. I would like to move the adoption of the amendments on page 399 in the Journal. Then I will briefly explain the amendments.

PRESIDENT: Any discussion?

SENATOR SCHMIT: Mr. President, members of the Legislature. The amendments which are in the Journal on page 399 are the Rules and Regulations that have been adopted by the Department of Agriculture and their solution to the problem was confronted the State of Nebraska and the Department when the bankruptcy of American Beef took place a little over a year ago which resulted in the loss of millions of dollars to Nebraska cattle feeders and to cattle feeders in surrounding states. Now the Department has adopted these rules and regulations and they are at the present time being enforced by Mr. Krascher and his department. They are being enforced successfully. The question that is in my mind is whether or not the Department may be challenged at some time in the future in reference to this type of rule making authority. In order that there be no question that the Department can enforce these rules and regulations which basically embody the principle points of LB544, I believe that the amendments that we have proposed here should become part of the statutes. That way there would be no way that the livestock producers in the State of Nebraska will be protected in the future. I agree that there may be a problem that could arise relative to the necessity of changing the rules and regulations. But, the Nebraska Legislature can meet and does meet every year, and therefore if necessary we change the statutes. I do not think that we should leave to chance again, the possibility that severe losses could occur because of anyones fault, whether it be Legislative fault, whether it be an agency fault or an individuals liability, we should not open ourselves to the possibility that a similar situation could occur in the future. I believe that the adoption of this amendment and the passage of LB544 in this form would preclude that possibility. Therefore, I urge the adoption of the amendment. I repeat again, the amendment does exactly what the Rules and Regulations do, but it removes any doubt as to whether or not the Department has the authority to enforce these rules and regulations. I move the adoption of the amendment.

PRESIDENT: Senator Keyes.

SENATOR KEYES: I would like to ask Senator Schmit, the Rules and Regulations, how big a bond will they make a packing house like American Beef carry?

SENATOR SCHMIT: The bond is supposed to be sufficient to approximately two days kill Senator Keyes.